



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

APR 23 2010

Stacey Lynn Cargill

West Des Moines, Iowa 50266

RE: MUR 6222

Dear Ms. Cargill:

On April 9, 2010, the Federal Election Commission reviewed the allegations in your complaint dated October 20, 2009, as amended and supplemented on November 4, 2009, and November 24, 2009, and found that on the basis of the information provided in your complaint, and information provided by the respondents, there is no reason to believe the Iowa Christian Alliance, West Hill United Methodist Church, Steve Scheffler, Morris Hurd, Romney for President, Inc., and Darrell Crate, in his official capacity as Treasurer, or David Kochel, violated the Act. Accordingly, on April 9, 2010, the Commission closed the file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). The Factual and Legal Analyses, which more fully explain the Commission's findings, are enclosed.

The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

Sincerely,

A handwritten signature in black ink, appearing to be "J. McConnell", written over a horizontal line.

Julie K. McConnell
Assistant General Counsel

Enclosures
Factual and Legal Analyses

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Iowa Christian Alliance
Steve Scheffler, President,
Iowa Christian Alliance
Morris Hurd, Chairman/Treasurer,
Iowa Christian Alliance

MUR: 6222

I. INTRODUCTION

This matter was generated by a complaint filed with the Federal Election Commission by Stacey L. Cargill alleging violations of the Federal Election Campaign Act of 1971 ("the Act"), as amended, by the Iowa Christian Alliance ("the ICA"), Steve Scheffler, and Morris Hurd.

II. FACTUAL AND LEGAL ANALYSIS

The ICA is registered as a non-profit corporation with the Iowa Secretary of State's Office. It is not registered as a political committee. The ICA website has available for download copies of its voter guides for the 2008 Presidential Caucuses as well as general election voter guides for state and federal races, including the 2008 presidential race. The website includes a statement by the ICA's counsel stating that the organization's 2008 Presidential Voter Guide was not prepared or distributed in concert with any candidate or political committee and no portion of the voter guide expressly advocated the election or defeat of one or more clearly identified candidates. See <http://www.iowachristian.com/voterguides.htm> (last visited Feb. 19, 2010). The ICA website also includes a statement that the ICA does not endorse candidates or political parties and that the goal of the ICA is to provide the public with information with which

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to make an informed decision. See <http://www.iowachristian.com/candidatewatch.htm>
(last visited Feb. 19, 2010).

**A. Allegation That Respondents Funneled Contributions
Through The Church So Donors Could Make Tax-Deductible
Contributions To The ICA**

The complaint in this matter alleges that Steve Scheffler, President of the ICA, and Morris Hurd, Pastor of the West Hill United Methodist Church ("the Church") and Chairman of the Board/Treasurer of the ICA, funneled financial contributions intended for the ICA through the Church so that donors could make tax-deductible contributions to the ICA. Complaint, p. 1. In support of this allegation, the complainant states that on February 18, 2009, she received a phone call from Ted Sporer, an attorney, political activist, and friend of Scheffler, who told the complainant that if a donor Scheffler "knows and trusts" wants to make a tax-deductible contribution to the ICA, Scheffler would ask the donor to write a check for the ICA and send it to Hurd at the church. *Id.* Thereafter, Hurd would send a document from the church thanking the donor for his or her "charitable" contribution, and forward the contribution to the ICA. *Id.* According to the complainant, Marlys Popma, a former ICA consultant, political activist, and friend of Scheffler, confirmed that donations to ICA were funneled through the Church. *Id.*

A supplemental complaint provides articles that assertedly "confirm[] that financial contributions intended for the Iowa Christian Alliance were funneled through the West Hill United Methodist Church." See Supplemental Complaint, p.1. In particular, an Associated Press article quotes Ted Sporer stating that, "The facts are, I was told that if I were to write a check to this church, I would get credit for being a

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sponsor at Christian Alliance events.” See John McGlothlen, *Complaint Questions Donations To Iowa Church*, ASSOCIATED PRESS, Oct. 22, 2008.

In response, Scheffler, Hurd, and ICA assert that neither the Church nor Hurd transferred in any way, much less funneled, donations from the Church to the ICA. Response of Scheffler, Hurd, and ICA, p. 4. Likewise, the Church states that all of its accounts of any nature have been thoroughly audited for 2008 and no funds passed through any account at the church that would have had anything to do with the Iowa Christian Alliance. Response of West Hill United Methodist Church, p. 1-2. In addition, the Church states that a thorough review and audit did not produce any documents by which the church thanked any donor for any charitable contribution or provided a receipt or 1099 concerning any of the alleged ICA donations. *Id.*, p. 2. Attached to the Church’s response are sworn affidavits of officers and employees of the church attesting to the response.

While the complaint and responses reflect a factual dispute, even if the allegation is true, and donations to the ICA were funneled through the Church, this activity does not appear to raise any issues within the Commission’s jurisdiction in this matter. Therefore, there is no reason to believe Scheffler, Hurd, or ICA violated the Act in connection with this activity.

B. Allegation That Scheffler, Hurd, and ICA Violated The Act By Working To Influence People To Vote For Mitt Romney

The complainant asserts her “belief” that Scheffler, Hurd, and ICA violated the Act and the ICA’s tax-exempt status by “working to influence” Christian conservatives to vote for Mitt Romney during the 2008 Iowa Presidential Caucuses. Complaint, p.1. In this vein, the complainant cites her “understanding” that the ICA received \$100,000 in

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contributions from "maxed out" contributors to the Mitt Romney campaign for "their" help during the caucuses, and that these contributions were received in four quarterly payments in 2008. *Id.* The complainant states that it is her "belief" that the \$100,000 in contributions from "maxed out" Romney donors, intended for the ICA, were funneled through the West Hill United Methodist Church. *Id.*, p.2.

As support, the complaint alleges that Gentry Collins, a former state director for Romney for President, stated in a June 1, 2008, phone conversation with the complainant that he had read an e-mail from Scheffler to "a Mitt Romney operative" that discussed a \$100,000 financial contribution to the ICA from "maxed out" Romney donors.

Complaint, p.2. In an affidavit attached to the Romney for President response, however, Collins avers that while he recalls speaking on the phone with the complainant while he was working for John McCain's general election campaign, he does not recall having the conversation the complainant claims, and is "unfamiliar with and unaware of the information she attributes to me in that Complaint." Attachment to Response of Romney for President.

An amendment to the complaint contains an article that "suggests" that David Kochel is the Mitt Romney operative who negotiated \$100,000 in contributions to the ICA. Complaint Amendment dated November 4, 2009, p. 1. In relevant part, the article states:

Jonny also got some inside information from David Kochel, who was a top aide to former (and future) presidential candidate, Mitt Romney. Hey Dave, didn't I just read a story about how Mitt Romney tried to buy off the Iowa Christian Alliance? I heard you helped facilitate that little scheme.

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See Emily Geiger, *And the Most Irresponsible Journalist Award Goes to ... The Politico's Jonathan Martin*, available at <http://preview.tinyurl.com/ydt2kd7> (Oct. 30, 2009). The amendment to the complaint, however, does not identify, beyond mere speculation, the "Mitt Romney operative" to whom Scheffler allegedly sent the e-mail discussing the \$100,000 contribution. Based on the foregoing discussion, we conclude that the complainant has not provided specific credible information regarding what the respondents allegedly did "to influence Christian conservatives to vote for Mitt Romney." Thus, there appears to be no reason to believe Scheffler, Hurd, or the ICA violated the Act in connection with this allegation.

We note that while the complaint does not specifically allege that the ICA was required to register and report as a political committee, it contains statements that may be construed as such. Specifically, a supplement to the complaint states:

I believe the ICA is involved in Republican Party Politics. The attached documents demonstrate that the majority of their efforts and financial resources focus on electing ICA officers and members to leadership within the Republican Party of Iowa, promoting and helping Republican candidates for political office, and advancing the principles of the Republican Party.

Supplement dated November 4, 2009, p. 1. As the Respondents point out, however, the complaint did not produce any information or documents that suggest that the respondents received "contributions" under the Act aggregating more than \$1,000 during a calendar year, or anything suggesting that the respondents made more than \$1,000 in expenditures in a calendar year. Response of Scheffler, Hurd, and ICA, p. 10.

In addition, Respondents assert that they received no donations earmarked for a federal political committee, including the Romney campaign, or for federal expenditures,

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including for the Romney campaign; none of them did any broadcast, cablecast, or satellite communications; and they have a policy not to endorse candidates. Response of Scheffler, Hurd, and ICA, p. 10. In the absence of any information to the contrary, there is no reason to believe the Respondents violated the Act by failing to register and report as a political committee or by impermissibly receiving contributions or making prohibited expenditures.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: West Hill United Methodist Church **MUR:** 6222

I. INTRODUCTION

This matter was generated by a complaint filed with the Federal Election Commission by Stacey L. Cargill alleging violations of the Federal Election Campaign Act of 1971 ("the Act"), as amended, by the West Hill United Methodist Church ("the Church").

II. FACTUAL AND LEGAL ANALYSIS

The complaint in this matter alleges that the Iowa Christian Alliance ("ICA") and certain ICA officers violated the Act and the tax exempt status of the Church by funneling donations intended for the ICA through the Church so donors could make tax-deductible contributions to the ICA.

The ICA is registered as a non-profit corporation with the Iowa Secretary of State's Office. It is not registered as a political committee. The ICA website has available for download copies of its voter guides for the 2008 Presidential Caucuses as well as general election voter guides for state and federal races, including the 2008 presidential race. The website includes a statement by the ICA's counsel stating that the organization's 2008 Presidential Voter Guide was not prepared or distributed in concert with any candidate or political committee and no portion of the voter guide expressly advocated the election or defeat of one or more clearly identified candidates. See <http://www.iowachristian.com/voterguides.htm> (last visited Feb. 19, 2010). The ICA

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website also includes a statement that the ICA does not endorse candidates or political parties and that the goal of the ICA is to provide the public with information with which to make an informed decision. See <http://www.iowachristian.com/candidatewatch.htm> (last visited Feb. 19, 2010).

In support of the allegation that the ICA and certain officers funneled financial contributions through the church, the complainant states that on February 18, 2009, she received a phone call from Ted Sporer, an attorney, political activist, and friend of ICA president Steve Scheffler. According to the complaint, Sporer told the complainant that if a donor Scheffler "knows and trusts" wants to make a tax-deductible contribution to the ICA, Scheffler would ask the donor to write a check for the ICA and send it to Morris Hurd, the pastor of the Church and Chairman of the Board/Treasurer of the ICA. Complaint, p. 1. Thereafter, Hurd would send a document from the church thanking the donor for his or her "charitable" contribution, and forward the contribution to the ICA. *Id.* According to the complainant, Mariys Popma, a former ICA consultant, political activist, and friend of Scheffler, confirmed that donations to ICA were funneled through the Church. *Id.*

A supplemental complaint provides articles that assertedly "confirm[] that financial contributions intended for the Iowa Christian Alliance were funneled through the West Hill United Methodist Church." See Supplemental Complaint, p.1. In particular, an Associated Press article quotes Ted Sporer stating that, "The facts are, I was told that if I were to write a check to this church, I would get credit for being a sponsor at Christian Alliance events." See John McGlothlen, *Complaint Questions Donations To Iowa Church*, ASSOCIATED PRESS, Oct. 22, 2008.

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In response, Scheffler, Hurd, and ICA assert that neither the Church nor Hurd transferred in any way, much less funneled, donations from the Church to the ICA. Response of Scheffler, Hurd, and ICA, p. 4. Likewise, the Church states that all of its accounts of any nature have been thoroughly audited for 2008 and no funds passed through any account at the church that would have had anything to do with the Iowa Christian Alliance. Response of West Hill United Methodist Church, p. 1-2. In addition, the Church states that a thorough review and audit did not produce any documents by which the church thanked any donor for any charitable contribution or provided a receipt or 1099 concerning any of the alleged ICA donations. *Id.*, p. 2. Attached to the Church's response are sworn affidavits of officers and employees of the church attesting to the response.

While the complaint and responses reflect a factual dispute, even if the allegation is true, and donations to the ICA were funneled through the Church, this activity does not appear to raise any issues within the Commission's jurisdiction in this matter. Therefore, there is no reason to believe the West Hill United Methodist Church violated the Act in connection with this activity.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Romney for President, Inc. and Darrell Crate,
in his official capacity as Treasurer

MUR: 6222

I. INTRODUCTION

This matter was generated by a complaint filed with the Federal Election Commission by Stacey L. Cargill alleging violations of the Federal Election Campaign Act of 1971 ("the Act"), as amended, by Romney for President, Inc. and Darrell Crate, in his official capacity as Treasurer.

II. FACTUAL AND LEGAL ANALYSIS

The complainant in this matter asserts her "belief" that the Iowa Christian Alliance ("ICA") and certain ICA officers violated the Act and the ICA's tax-exempt status by "working to influence" Christian conservatives to vote for Mitt Romney during the 2008 Iowa Presidential Caucuses. Complaint, p.1. In this vein, the complainant cites her "understanding" that the ICA received \$100,000 in contributions from "maxed out" contributors to the Mitt Romney campaign for "their" help during the caucuses, and that these contributions were received in four quarterly payments in 2008. *Id.*

As support, the complaint alleges that Gentry Collins, a former state director for Romney for President, stated in a June 1, 2008, phone conversation with the complainant that he had read an e-mail from Scheffler to "a Mitt Romney operative" that discussed a \$100,000 financial contribution to the ICA from "maxed out" Romney donors. Complaint, p.2. In an affidavit attached to the Romney for President response, however, Collins avers that while he recalls speaking on the phone with the complainant while he

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was working for John McCain's general election campaign, he does not recall having the conversation the complainant claims, and is "unfamiliar with and unaware of the information she attributes to me in that Complaint." Attachment to Response of Romney for President.

An amendment to the complaint contains an article that "suggests" that David Kochel is the Mitt Romney operative who negotiated \$100,000 in contributions to the ICA. Complaint Amendment dated November 4, 2009, p. 1. In relevant part, the article states:

Jonny also got some inside information from David Kochel, who was a top aide to former (and future) presidential candidate, Mitt Romney. Hey Dave, didn't I just read a story about how Mitt Romney tried to buy off the Iowa Christian Alliance? I heard you helped facilitate that little scheme.

See Emily Geiger, And the Most Irresponsible Journalist Award Goes to ... The Politico's Jonathan Martin, available at <http://preview.tinyurl.com/ydt2kd7> (Oct. 30, 2009). The amendment to the complaint, however, does not identify, beyond mere speculation, the "Mitt Romney operative" to whom Scheffler allegedly sent the e-mail discussing the \$100,000 contribution. Based on the foregoing discussion, we conclude that the complainant has not provided specific credible information regarding the involvement of David Kochel in the alleged activity, or regarding what the respondents allegedly did "to influence Christian conservatives to vote for Mitt Romney." In addition, the complaint does not allege any violations of law with respect to Romney for President, Inc., and Darrell Crate, in his official capacity as Treasurer. Accordingly, there is no reason to believe Romney for President, Inc., and Darrell Crate, in his official capacity as Treasurer, violated the Act.

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: David Kochel

MUR: 6222

I. INTRODUCTION

This matter was generated by a complaint filed with the Federal Election Commission by Stacey L. Cargill alleging violations of the Federal Election Campaign Act of 1971 ("the Act"), as amended, by David Kochel.

II. FACTUAL AND LEGAL ANALYSIS

The complainant in this matter asserts her "belief" that the Iowa Christian Alliance ("ICA") and certain ICA officers violated the Act and the ICA's tax-exempt status by "working to influence" Christian conservatives to vote for Mitt Romney during the 2008 Iowa Presidential Caucuses. Complaint, p. 1.

As support, the complaint alleges that Gentry Collins, a former state director for Romney for President, stated in a June 1, 2008, phone conversation with the complainant that he had read an e-mail from Scheffler to "a Mitt Romney operative" that discussed a \$100,000 financial contribution to the ICA from "maxed out" Romney donors. Complaint, p. 2. In an affidavit attached to the Romney for President response, however, Collins avers that while he recalls speaking on the phone with the complainant while he was working for John McCain's general election campaign, he does not recall having the conversation the complainant claims, and is "unfamiliar with and unaware of the information she attributes to me in that Complaint." Attachment to Response of Romney for President.

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An amendment to the complaint contains an article that "suggests" that David Kochel is the Mitt Romney operative who negotiated \$100,000 in contributions to the ICA. Complaint Amendment dated November 4, 2009, p. 1. In relevant part, the article states:

Jonny also got some inside information from David Kochel, who was a top aide to former (and future) presidential candidate, Mitt Romney. Hey Dave, didn't I just read a story about how Mitt Romney tried to buy off the Iowa Christian Alliance? I heard you helped facilitate that little scheme.

See Emily Geiger, *And the Most Irresponsible Journalist Award Goes to ... The Politico's Jonathan Martin*, available at <http://preview.tinyurl.com/ydt2kd7> (Oct. 30, 2009). The amendment to the complaint, however, does not identify, beyond mere speculation, the "Mitt Romney operative" to whom Scheffler allegedly sent the e-mail discussing the \$100,000 contribution. Based on the foregoing discussion, we conclude that the complainant has not provided specific credible information regarding the involvement of Kochel in the alleged activity. Thus, there appears to be no reason to believe David Kochel violated the Act in connection with this allegation.

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